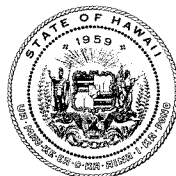


BENJAMIN J. CAYETANO
GOVERNOR



NEAL MIYAHIRA
DIRECTOR

WAYNE H. KIMURA
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII PUBLIC EMPLOYEES HEALTH FUND
OFFICE OF THE PUBLIC DEFENDER
PUBLIC UTILITIES COMMISSION

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION

March 15, 2000

FINANCE MEMORANDUM

MEMO NO. 00-10

TO: All Department Heads

FROM: *gr* Neal Miyahira *Wayne H. Kimura*
Director of Finance

SUBJECT: Update of Revenue Estimates

The Department of Budget and Finance (B&F) compiles and reports the State's revenues to the Council on Revenues (Council) as required by Section 37-111, HRS. The Council submits its report on projections of tax and non-tax revenues to the Governor and the Legislature for their use in making budget decisions. A copy of the Council's latest revenue estimate report, which includes your department's revised quarterly projections, is attached for your reference (Attachment A).

The Council has requested that B&F present its non-tax and special fund tax revenue report at its workshops. Because the Council's workshops are usually held one week in advance of its meetings, departmental reporting deadlines must be advanced accordingly to enable us to comply with the Council's request. The Council has scheduled its next workshop for May 18, 2000, and a meeting on May 25, 2000.

Attached for your review and update are copies of revenue estimate forms which reflect your department's estimates which were submitted to the Council for its March 2000 report. If your department receives or anticipates receipt of revenues for which an estimate form has not been provided, please fill out a blank form with the appropriate data. A list of your department's non-general funds that have received revenues in FY 2000, but have not reported any revenues, is also attached (Attachment D).

Please comply with the procedures listed in Attachment B and only submit Program Revenue Details forms (original and one copy) with CHANGES to the Department of Budget and Finance, Budget, Program Planning and Management Division (BPPMD) on or before April 21, 2000. If there are NO CHANGES, please return or FAX (586-1873) the attached sample transmittal (Attachment C) as soon as possible, but no later than April 21, 2000, to BPPMD.

Because the revenues reported during this period will impact execution of the FB 2000-01 Supplemental Budget, it is imperative that all revenues are identified and reported accurately. We appreciate your continued cooperation in updating your estimates in a timely manner. If there are any questions, please have your staff contact Mr. James Nakamura, Administrator of this department's BPPMD, at 586-1530.

Attachments

**STATE OF HAWAII
GENERAL FUND
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAXES
FISCAL YEARS 1999 - 2006
(in thousands of dollars)**

| <u>Source</u> | <u>Actual FY 1999</u> | <u>Estimated FY 2000</u> | <u>Estimated FY 2001</u> | <u>Estimated FY 2002</u> | <u>Estimated FY 2003</u> | <u>Estimated FY 2004</u> | <u>Estimated FY 2005</u> | <u>Estimated FY 2006</u> |
|--|---------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Licenses & Permits | 1,399 | 931 | 661 | 785 | 665 | 665 | 665 | 665 |
| Revenues from Use of Money and Property | 99,747 | 76,735 | 67,426 | 67,699 | 63,975 | 64,631 | 63,221 | 64,246 |
| Federal Grants | 3,288 | 3,862 | 3,851 | 3,851 | 3,851 | 3,851 | 3,851 | 3,851 |
| Revenues from Other Agencies | 10,084 | 6,885 | 6,835 | 6,835 | 6,835 | 6,835 | 6,835 | 6,835 |
| Charges for Current Services | 125,911 | 127,957 | 116,889 | 116,982 | 116,963 | 118,097 | 119,167 | 119,362 |
| Fines, Forfeits & Penalties | 262 | 92 | 90 | 87 | 87 | 337 | 337 | 337 |
| Repayment of Loans & Advances | 26,540 | 25,880 | 30,361 | 29,084 | 31,161 | 27,461 | 28,235 | 28,231 |
| Other Non-Revenue Receipts | 139,268 | 39,390 | 50,296 | 7,487 | 7,534 | 7,583 | 7,633 | 21,230 |
| Subtotal | 406,499 | 281,731 | 276,409 | 232,810 | 231,071 | 229,460 | 229,944 | 244,757 |
| Judiciary | 25,461 | 31,770 | 31,816 | 31,957 | 32,100 | 32,270 | 32,436 | 32,600 |
| Total | 431,961 | 313,501 | 308,225 | 264,767 | 263,171 | 261,730 | 262,380 | 277,357 |

Prepared by: Department of Budget & Finance

March 2, 2000

STATE OF HAWAII
SPECIAL REVENUE FUND
MULTI-YEAR TAX REVENUES
FISCAL YEARS 1999 - 2006
(in thousands of dollars)

| Sources | Estimated FY 1999 | Estimated FY 2000 | Estimated FY 2001 | Estimated FY 2002 | Estimated FY 2003 | Estimated FY 2004 | Estimated FY 2005 | Estimated FY 2006 |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Liquid Fuel: | | | | | | | | |
| Highway | 68,780 | 69,635 | 70,376 | 71,140 | 71,518 | 72,616 | 73,354 | 74,092 |
| Aviation | 3,756 | 3,803 | 3,841 | 3,879 | 3,918 | 3,957 | 3,997 | 4,037 |
| Small Boats | <u>1,305</u> | <u>1,300</u> | <u>1,300</u> | <u>1,300</u> | <u>1,300</u> | <u>1,300</u> | <u>1,300</u> | <u>1,300</u> |
| Subtotal | 73,841 | 74,738 | 75,517 | 76,319 | 76,736 | 77,873 | 78,651 | 79,429 |
| Transfer of Transient Accom Tax | 52,290 | 85,988 | 87,711 | 89,591 | 91,711 | 94,271 | 97,081 | 99,211 |
| Transfer of Gen Excise Tax | | | | | | | | |
| Hawaii Compound Interest | | | | | | | | |
| Bond Reserve T.F. | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Motor Vehicle Weight Tax | 22,434 | 22,720 | 23,258 | 23,795 | 24,333 | 24,870 | 25,408 | 25,945 |
| Vehicle Registration Fee Tax | 16,749 | 17,210 | 17,427 | 17,665 | 17,862 | 18,079 | 18,297 | 18,514 |
| Vehicle Surcharge: | | | | | | | | |
| Rental Motor Vehicles | 22,176 | 32,024 | 34,739 | 35,571 | 36,404 | 37,235 | 38,066 | 38,066 |
| Tour Vehicles | <u>1,415</u> | <u>1,443</u> | <u>1,478</u> | <u>1,514</u> | <u>1,549</u> | <u>1,584</u> | <u>1,620</u> | <u>1,620</u> |
| Subtotal | 23,591 | 33,467 | 36,218 | 37,085 | 37,953 | 38,819 | 39,686 | 39,686 |
| Environmental Response Tax | 1,765 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Unemployment Comp Tax | 147,296 | 150,000 | 155,000 | 155,000 | 155,000 | 155,000 | 160,000 | 160,000 |
| Employment & Training | 1,109 | 3,700 | 1,854 | 0 | 0 | 0 | 0 | 0 |
| Election Campaign Contrib T.F. | 523 | 260 | 260 | 260 | 260 | 260 | 260 | 260 |
| Transfer of Banks & Fin. Corp Tax | 0 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Transfer of Conveyance Tax | 2,885 | 3,879 | 3,879 | 5,173 | 5,172 | 5,172 | 5,172 | 5,172 |
| Transfer of Tax on Ins. Premiums | <u>281</u> | <u>250</u> | <u>250</u> | <u>250</u> | <u>260</u> | <u>270</u> | <u>280</u> | <u>280</u> |
| Total | <u>347,765</u> | <u>401,512</u> | <u>410,674</u> | <u>414,437</u> | <u>418,587</u> | <u>423,914</u> | <u>434,135</u> | <u>437,797</u> |

STATE OF HAWAII

**SPECIAL REVENUE FUND - SPECIAL FUNDS
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAXES
FISCAL YEARS 1999 - 2006
(in thousands of dollars)**

| Sources | Estimated FY 1999 | Estimated FY 2000 | Estimated FY 2001 | Estimated FY 2002 | Estimated FY 2003 | Estimated FY 2004 | Estimated FY 2005 | Estimated FY 2006 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Licenses & Permits | 8,994 | 10,900 | 10,799 | 10,865 | 10,545 | 10,909 | 10,588 | 11,103 |
| Revenues from Use of Money and Property | 143,525 | 149,597 | 155,114 | 157,386 | 158,409 | 159,920 | 161,132 | 159,231 |
| Federal | 158,924 | 199,565 | 186,950 | 179,967 | 175,156 | 170,100 | 175,251 | 169,718 |
| Other Agencies | 850 | 33,533 | 27,851 | 33,543 | 33,828 | 29,489 | 29,489 | 29,489 |
| Charges for Current Services: | | | | | | | | |
| Utils & Other Enterprises | 314,736 | 349,896 | 361,819 | 365,130 | 369,580 | 373,603 | 379,050 | 380,220 |
| Others | 344,465 | 393,068 | 404,534 | 419,377 | 424,798 | 432,450 | 437,419 | 441,194 |
| Fines, Forfeits & Penalties | 2,040 | 2,156 | 2,217 | 2,294 | 2,370 | 2,197 | 2,274 | 2,274 |
| Non-Revenue Receipts | 230,094 | 324,642 | 218,648 | 183,610 | 183,313 | 179,988 | 179,585 | 179,585 |
| Judiciary | 4,086 | 4,370 | 3,662 | 3,564 | 3,577 | 3,592 | 3,607 | 3,621 |
| Office of Hawaiian Affairs | <u>117</u> | <u>155</u> | <u>155</u> | <u>155</u> | <u>155</u> | <u>155</u> | <u>155</u> | <u>155</u> |
| Total | <u>1,207,832</u> | <u>1,467,882</u> | <u>1,371,749</u> | <u>1,355,892</u> | <u>1,361,731</u> | <u>1,362,403</u> | <u>1,378,550</u> | <u>1,376,590</u> |

STATE OF HAWAII

SPECIAL REVENUE FUND - OTHER THAN SPECIAL FUNDS

Multi-Year Revenues from Sources Other than Taxes

Fiscal Years 1999 - 2006

(in thousands of dollars)

| <u>Source</u> | <u>Estimated FY 1999</u> | <u>Estimated FY 2000</u> | <u>Estimated FY 2001</u> | <u>Estimated FY 2002</u> | <u>Estimated FY 2003</u> | <u>Estimated FY 2004</u> | <u>Estimated FY 2005</u> | <u>Estimated FY 2006</u> |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Licenses & Permits | 447 | 444 | 561 | 561 | 561 | 561 | 561 | 561 |
| Revenues from Use of Money and Property | 62,601 | 58,025 | 58,409 | 57,917 | 57,140 | 57,591 | 58,566 | 58,566 |
| Federal | 1,028,498 | 1,042,640 | 1,000,699 | 994,475 | 999,958 | 1,004,846 | 1,012,435 | 1,020,850 |
| Other Agencies | 916 | 5,936 | 10,926 | 1,326 | 1,391 | 1,391 | 1,416 | 1,416 |
| Charges for Current Services | 112,448 | 124,559 | 114,047 | 68,976 | 69,928 | 72,575 | 71,623 | 71,370 |
| Fines, Forfeits & Penalties | 775 | 718 | 727 | 718 | 727 | 718 | 727 | 718 |
| Non-Revenue Receipts | 540,228 | 558,754 | 583,768 | 618,129 | 654,217 | 694,233 | 739,508 | 739,500 |
| Office of Hawaiian Affairs | <u>72,262</u> | <u>26,100</u> | <u>23,600</u> | <u>23,600</u> | <u>23,600</u> | <u>23,600</u> | <u>23,600</u> | <u>23,600</u> |
| TOTAL | <u>1,818,175</u> | <u>1,817,176</u> | <u>1,792,737</u> | <u>1,765,702</u> | <u>1,807,522</u> | <u>1,855,515</u> | <u>1,908,436</u> | <u>1,916,581</u> |

ATTACHMENT B

UPDATE OF REVENUE ESTIMATES

1. Make all changes in RED INK to facilitate the keypunching phase of the reporting cycle.
2. Briefly explain all changes (increases and decreases). Please print the name of a reference person and a phone number for follow-up questions.
3. Provide actual/preliminary actual revenues for FY 99, estimates for FYs 2000-06 and explain how the estimates were determined.
4. For accounts with "S" type appropriations, e.g., appropriation symbol = S2000nnnX, identify whether the account is a Special Fund or a Revolving or Other Fund.
5. For Special Funds that have been repealed, DO NOT DELETE the revenue record. Place zeroes in the revenue amounts of the appropriate fiscal periods instead of deleting the record and annotate on the form the fund has been repealed.
6. Please ensure all transfers from non-general funds to the general fund are included on revenue worksheets. For repealed special funded programs that are transferred to the general fund, fill out a worksheet that reflects the projected revenues in the general fund. On a separate form, provide an estimate of the ending balance that will be transferred upon termination of the special fund using source code 1992.
7. For "pass-through" transactions. If your agency is the lead agency and funds are transferred via DAGS' 804/805 transaction codes, report total funds received before pass-through occurs. Receiving agencies need not report these revenues. All other transfers that are not recorded via 804/805 transactions must be reported by the receiving agency.

8. Include all previously unreported revenue sources on appropriate new forms. Tax revenues, federal grants, and other than federal grants should be reported on forms for Revenue Type "X," "Y," and "Z," respectively.
9. Use only valid DAGS source codes. Where source codes or appropriation symbols are pending, e.g., new programs, complete a blank revenue form for these programs and report the applicable projected revenues, leaving the unknown codes/symbols blank, and noting the information is pending. When a new source code is assigned, submit the authorization from DAGS along with the revenue sheet.
10. To ensure the correct matching of revenue estimates and collection data on the MBP454-B Report (FAMIS system), the estimate data will be posted to the parent account if both parent and program accounts are reported for a revenue source.
11. Where worksheets are centrally collected from programs for submission to B&F, please send whatever you have before the deadline instead of waiting for "stragglers." Please indicate whether more worksheets will be forthcoming or not.
12. Submit worksheets (original and one copy) with CHANGES ONLY to the Department of Budget and Finance (B&F), Budget, Program Planning and Management Division (BPPMD), through the Director of Finance, on or before the stated deadline.
13. If there are NO CHANGES, please return or FAX the attached sample transmittal on or before the stated deadline to the B&F, BPPMD (FAX number - 586-1873).

ATTACHMENT C

TRANSMITTAL

DATE:

TO: Mr. James Nakamura, Administrator
Budget, Program Planning and Management Division
Department of Budget and Finance

FROM:

SUBJECT: REVENUE ESTIMATES

() NO CHANGES ARE REQUIRED

() CHANGES ARE ATTACHED

If there are questions, please call _____

at _____ .